

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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FEDERAL NATIONAL MORTGAGE
ASSOCIATION,

Plaintiff,
- against -

OLYMPIA MORTGAGE CORPORATION,
et al.,

ORDER
04-CV-4971 (NG)(MDG)

Defendants.

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OLYMPIA MORTGAGE CORPORATION,
et al.,

Crossclaim Plaintiff,

- against -

Leib Pinter, et al.,

Crossclaim Defendants.

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GERSHON, United States District Judge:

In response to my order of December 12, 2011, giving Abe Donner the opportunity to file papers on the issue of whether Olympia should be granted summary judgment against him for transfers made to the Donner Relatives pursuant to Sections 273 and 276 of New York Debtor and Creditor Law, Abe Donner has now filed opposition papers. He argues that he cannot be a transferor of the monies to the Donner Relatives under Sections 273 and 276 because the court already found that Olympia was the transferor of the money to the Donner Relatives. But a corporate entity cannot transfer money by its own volition. A person must direct a corporation to transfer money, thus effectuating the transfer. Therefore, there can be more than one transferor of funds, and Donner points to no case law that limits the number of transferors involved in a fraudulent conveyance.

Donner also argues that, where a decision has been entered against a transferee for fraudulent transfers, a judgment for those same transfers cannot also be entered against a transferor. He has not offered any authority in support of this proposition, and the court rejects it as meritless.

Donner further argues that there is no evidence in the record that he transferred the money to the Donner Relatives. Donner, however, filed an affidavit with the court admitting that he directed Olympia to transfer monies to his relatives, as the “transfers to [the Donner Relatives] were part and parcel of [his] compensation as President of Olympia.” Those monies amounted to \$498,575.15. Donner’s affidavit proves that he was a transferor of the funds in question.

Therefore, for the reasons stated on the record on December 12, 2011, and for the reasons set forth above, Olympia is granted summary judgment against Abe Donner in the amount of \$498,575.15 for Donner’s transfers to the Donner Relatives pursuant to Sections 273 and 276 of New York Debtor and Creditor Law as well as his breach of fiduciary duty for those same transfers as set forth in the order of December 12, 2011.

SO ORDERED.

/s/ Nina Gershon (electronically signed)
NINA GERSHON
United States District Judge

Dated: Brooklyn, New York
 March 21, 2012